

Please replace the paragraph beginning at page 3, line 2, with the following rewritten paragraph:

B2  
--Figs. 1-3 illustrate a preferred embodiment of a bag/bed assembly 1 made in accordance with the present invention. The assembly 1 includes a first layer 10, a second layer 20, and a third layer 30, which third layer 30 is contained entirely within the second layer 20. The first layer 10 being formed by a first side 10A and a second side 10B. As best shown in Fig. 2, the first side 10A having a first edge 13A, and the second side 10B having a second edge 13B, said edges 13A, 13B forming a closure 13 disposed at the upper portion of the first layer 10.--

Please replace the paragraph beginning at page 3, line 10, with the following rewritten paragraph:

B3  
--The first layer 10 further includes a hollow interior cavity 12 formed on the inner sides of the first side 10A and the second side 10B of the first layer 10. The closure 13 defining an access opening 13C to the cavity 12 within the first layer 10, said access opening 13C adapted to receive the second layer 20 as will be further discussed. As best shown in Fig. 4, the second layer 20 when spaced out in a fully opened positioned, has a substantially rectangular configuration, and is provided with corners 20A, 20B, 20C, and 20D.--

Please replace the paragraph beginning at page 3, line 17, with the following rewritten paragraph:

B4  
--The cavity 12 is formed on the inner side of the first and second sides 10A, 10B of the first layer 10, and is easily <sup>etc.</sup> accessible through the closure 13 of the first layer 10. The closure 13 includes a fastening means 40, said fastening means 40 preferably including a first fastening member 40A and a second fastening member 40B, said fastening means 40 preferably a ~~Velcro~~ <sup>VELCRO</sup> type material having a strip of loop material

B4  
(not shown) and a matching strip of hook material (not shown). For example, the strip of loop material, representing the second fastening member 40B, may be positioned on the outer side of the first edge 13A, and the hook material, representing the first fastening member 40A, is transversely positioned along the inner side of the second edge 13B. It should be noted that the hook-and-loop materials can be interchangeably positioned. It is further understood by one skilled in the art that the fastening means 40 of the closure 13 may further consist of any other fastening means common in the art, such as a zipper, snaps, buttons, and the like.--

[ Please replace the paragraph beginning at page 3, line 29, with the following rewritten paragraph:

B5  
--The cavity 12 receives the second layer 20 for storage of the second layer 20. The second layer 20 is then secured in position within the first layer 10 by said fastening means 40. Referring to Fig. 2, the first edge 13A of the first side 10A is fastened to the second edge 13B of second side 10B thereby closing the closure 13 as best shown in Fig. 1.--

[ Please replace the paragraph beginning at page 4, line 6, with the following rewritten paragraph:

B6  
--In the preferred embodiment of the present invention, the third layer 30 is contained entirely within the second layer 20, said third layer 30 is a foam-type material, preferably a shredded foam-fill material. Such foam material of the third layer 30 further suitable to conform to the said rectangular configuration of the second layer 20 when the second layer 20 is not stored within the first layer 10. Such foam material of the third layer 30 further suitable to conform to the shape of the first layer 10 when storing the second layer 20 therein. As such, the third layer 30 is a foam padding inside the second layer 20 when the second layer 20 is used as a bed; and when the second layer 20 is stored within the first layer 10, the third layer 30 is a foam padding for when the first layer 10 is used as

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a seating apparatus. It should be understood that the thickness of the second layer 20 is dependent upon the volume of foam material forming the third layer 30.--

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Please replace the paragraph beginning at page 4, line 18, with the following rewritten paragraph:

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B7  
--In the preferred embodiment, the method of folding and storing the second layer 20 within the cavity 12 of the first layer 10, comprises generally the steps of diagonally folding the second layer 20 and inserting the folded second layer 20 within the cavity 12 of the first layer 10. The folding starts by diagonally folding the second layer 20 into a substantially triangular configuration, by folding said corner 20B on top of corner 20D forming new folded corners 21A and 22A as shown in Fig. 5.--

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